Indian Potash Ltd

Materials - Fertiliser import and distribution; sugar, distillery and dairy - Unlisted

India's largest fertiliser importer (Rs 32,535 Cr FY26 revenue, 8 million tonnes sold) that also owns 26.98% of Jordan Phosphate Mines, a stake quoted at Rs 31,090 Cr against a Rs 7,913 Cr market cap at the Rs 2,767 board rate; profits are real but subsidy-funded, debt-heavy and shadowed by a CBI case and a qualified audit opinion.

INDICATIVE PRICE	MARKET CAP	P/E	P/B
Rs 2,887.50 (+0.96% today)	Rs 8,257 Cr	4.17	0.60

BOOK VALUE / SHARE	EPS	52-WEEK RANGE	LOT / SETTLEMENT
Rs 4,777.87	Rs 692.80	Rs 2,300 - Rs 3,200	100 shares - T+1 working day

About the company

Indian Potash Limited (IPL), incorporated in 1955 and registered in Chennai (CIN U14219TN1955PLC000961), imports and distributes muriate of potash, DAP, sulphate of potash, rock phosphate, gypsum and canalised urea across India through regional offices in almost every state capital. It is owned by co-operatives and fertiliser companies rather than a promoter: IFFCO holds 33.99%, Gujarat State Co-operative Marketing Federation 10.45%, GSFC 7.87%, Andhra Pradesh State Co-operative Marketing Federation 6.23% and Madras Fertilisers 5.54%, and the annual return declares no promoter. Shares number 2,85,97,200 of Rs 10 (2.86 Cr), unchanged for years; there has been no buyback in five years.

FY26 (year to 31 March 2026) was a volume year. Revenue from operations rose 57% to Rs 32,535 Cr as first-point sales climbed 36% to 8 million tonnes (DAP +7.2 lakh t, MOP +2.0 lakh t) after the Department of Fertilizers pushed higher DAP import targets onto IPL when private importers held back. Government subsidy made up Rs 13,069 Cr (40%) of that revenue, up from Rs 6,451 Cr. The board admits DAP sold at a loss under the MRP cap and sales were 'consciously calibrated' to limit operating losses. The fertiliser segment still earned Rs 1,438 Cr of operating income (4.7% of segment revenue) before finance costs; sugar earned Rs 33 Cr on Rs 2,113 Cr and dairy/cattle feed/gold broke even on Rs 132 Cr.

The number that matters most sits outside India. IPL bought 27.38% of Jordan Phosphate Mines Company (JPMC, listed on the Amman exchange) in May 2018 for about Rs 650 Cr. JPMC earned Rs 7,282 Cr on Rs 17,807 Cr revenue in calendar 2025 and paid IPL Rs 1,313 Cr of dividends in FY26 (Rs 1,040 Cr in FY25). Under the equity method the consolidated accounts carry the stake at Rs 6,863 Cr and book Rs 2,559 Cr of pre-tax associate profit; its quoted value on 31 March 2026 was Rs 31,090 Cr, roughly four times IPL's own market capitalisation of Rs 7,913 Cr at the Rs 2,767 board rate. During FY26 IPL sold 12 lakh JPMC shares to Kisan International Trading FZE, an IFFCO subsidiary, for Rs 274.69 Cr (profit Rs 265 Cr), taking the stake to 26.98%; JPMC also issued 1.44 Cr bonus shares to IPL.

Financials (Rs Cr)

	FY25	FY26
Revenue	20,688.91	32,534.83
EBITDA	3,254.42	4,523.42
Profit after tax	1,661.35	1,981.21
EPS (Rs)	580.95	692.80
Net worth	11,321.49	13,663.38
Debt / equity	0.46	0.76
OPM %	15.7%	13.9%
ROE %	14.7%	14.5%

Revenue CAGR +57.3% - Profit CAGR +19.3% - figures from filed accounts where available; see the verification notes on the website.

Shareholding

Holder	Category	Shares (Cr)	%
Indian Farmers Fertiliser Co-operative Ltd (IFFCO)	Institution	0.97	34.0%
Gujarat State Co-operative Marketing Federation Ltd	Institution	0.30	10.5%
Gujarat State Fertilisers and Chemicals Ltd	Body Corporate	0.23	7.9%
Andhra Pradesh State Co-operative Marketing Federation Ltd	Institution	0.18	6.2%
Madras Fertilizers Ltd	Body Corporate	0.16	5.5%
Other state co-operative federations, fertiliser companies and others (each below 5%)	Public	1.03	35.9%

Board and management

Name	Designation	Since
Pankaj Kumar Bansal, IAS	Chairman	01 Apr 2025
Dr. Parvinder Singh Gahlaut	Managing Director (to 31 July 2026)	01 Apr 2025
Sanjeev Vedprakash Varma	Managing Director	29 Apr 2026
Sudhir Bhargava	Independent Director	01 Apr 2025
Arvind Kumar Kadyan	Independent Director	01 Apr 2025
Vandana Chanana	Independent Director	01 Apr 2025
Dileep Sanghani	Nominee Director (IFFCO)	01 Apr 2025
Rakesh Kapur	Nominee Director (IFFCO)	01 Apr 2025
K. J. Patel	Nominee Director (IFFCO)	01 Aug 2025
Dr. Rajendra Kumar, IAS	Nominee Director (GSFC)	01 Dec 2025
Nazhat J. Shaikh	Nominee Director (RCF)	01 Mar 2026
Abhijeet Agrawal, IAS	Nominee Director (MP Markfed)	01 Mar 2026
Kumar Amit, IAS	Nominee Director (Punjab Markfed)	01 Jul 2025
Siva Muthukkumarasamy	Nominee Director	01 Apr 2025
Sony Sebastian	Nominee Director	01 Apr 2025
Manish Gupta	Nominee Director	01 Apr 2025
Santosh Kumar Dash, OAS (SS)	Nominee Director (Odisha)	01 Apr 2025
R. Srinivasan	Chief Financial Officer	01 Apr 2025
Dr. Girish Kumar	Company Secretary	01 Apr 2025

MCA registry snapshot

CIN
U14219TN1955PLC000961

STATUS
Active

AUTHORISED CAPITAL
Rs 61.2 Cr

PAID-UP CAPITAL
Rs 28.6 Cr

LAST AGM
31 Aug 2026

LAST BALANCE SHEET
31 Mar 2026

Date	Form	Description	Status
30 Sept 2026	AOC-4 XBRL	Standalone and consolidated financial statements for FY 2025-26 (AGM h	Under Process
30 Oct 2026	MGT-7	Annual return for FY 2025-26	Pending
07 Aug 2026	AGM Notice	Notice of 71st AGM: adoption of accounts, Rs 20 dividend, re-appointment	Approved
23 Jul 2026	Board approval	Board adopted audited FY26 standalone and consolidated statements (qua	Approved

Original filings (AOC-4 accounts, MGT-7 returns, charges) can be downloaded from the MCA21 portal under this CIN for a nominal fee; offer documents are on SEBI's site.

Reports and documents

Document	Type	Period	Where
Annual Report FY2025-26 (71st, year ended 31 March 2026)	Annual Report	FY26	Download on the website

Strengths

- Asset backing far above the price: consolidated net worth Rs 13,663 Cr (Rs 4,778 a share, P/B 0.58x at Rs 2,767) and standalone net worth Rs 9,010 Cr (Rs 3,151 a share); the JPMC stake alone was quoted at Rs 31,090 Cr, or Rs 10,872 a share, on 31 March 2026.
- Cheap on earnings: consolidated EPS Rs 692.80 puts the board rate at 4.0x; standalone EPS Rs 536.73 at 5.2x; return on equity 18.6% (FY25: 19.4%) per the company's own ratio note.
- JPMC dividends are hard cash: Rs 1,313 Cr received in FY26 and Rs 1,040 Cr in FY25, covering the entire Rs 1,177 Cr finance bill; JPMC's calendar-2025 profit rose 35% to Rs 7,282 Cr.
- Market position: 8 million tonnes of fertiliser sold in FY26 (+36%), POS growth of 17.9% in MOP and 23.3% in DAP, and the Government of India chose IPL to run the global import tender meant to stabilise prices; it also canalises urea on government account (Rs 14,973 Cr of high-sea sales passed through at a Rs 33 Cr margin).
- Liquidity cushion despite the debt: cash and bank balances Rs 2,649 Cr, mutual funds Rs 1,001 Cr and quoted bonds and

shares (BSE Ltd Rs 47 Cr, tax-free bonds) on top of the JPMC holding; current ratio 1.23x and no loan defaults per CARO.

- Diversification is being built from cash flow, not equity: Rs 364 Cr capex in FY26 and Rs 656 Cr in FY25 on the Odisha grain distillery, Gujarat mills and SSP, with term debt of only Rs 287 Cr at 7.5-8.75%; sugar division profit was Rs 35 Cr even in a weak cane year and the board says the Gujarat mills reach full utilisation in the 2026-27 season.
- Steady, if small, dividends: Rs 20 a share for FY25 and FY26 (Rs 57.19 Cr a year) after Rs 7.50 for FY24; the company has no public deposits and the secretarial audit found no major compliance lapse.

Risks

- Qualified audit opinion for a second year: the auditor cannot assess the effect of the CBI FIR against the managing director, a former director and relatives alleging inflated import prices, excess subsidy claims and overseas commissions in 2007-2014; the Delhi High Court stayed coercive action in May 2021 but the board has run no independent inquiry.
- The core business lost money on DAP: the directors state that current MRP and NBS rates are 'inadequate to keep phosphatic fertiliser sales profitable' and that sales were calibrated to minimise operating losses; 40% of FY26 revenue (Rs 13,069 Cr) is government subsidy whose timing dictates liquidity.
- Cash burn and leverage: operating cash flow was minus Rs 2,240 Cr (FY25: +Rs 503 Cr); borrowings rose from Rs 5,264 Cr to Rs 10,391 Cr, of which Rs 8,360 Cr is foreign-currency buyers' credit; standalone net debt Rs 7,742 Cr, debt-to-equity 115% and finance costs Rs 1,177 Cr, 2.4x the prior year.
- Currency: a Rs 934 Cr forex loss in FY26 (Rs 195 Cr in FY25) as the rupee fell to 94.65 per dollar, with Rs 486 Cr of restated cost still on the books; dollar-funded inventory and buyers' credit mean every further 1% fall in the rupee costs roughly Rs 80-90 Cr before hedges.
- Receivables and tax blockages: trade receivables Rs 8,246 Cr (subsidy Rs 5,533 Cr, up 97%), blocked GST Rs 3,204 Cr, GST refunds of Rs 1,813 Cr rejected and under contest, plus disputed VAT Rs 159 Cr, customs duty Rs 112 Cr and GST claims Rs 468 Cr as contingent liabilities.
- Earnings quality: consolidated PAT of Rs 1,981 Cr includes Rs 1,980 Cr of equity-accounted JPMC profit; standalone PAT of Rs 1,535 Cr includes Rs 1,313 Cr of JPMC dividend and a one-off Rs 265 Cr gain on selling JPMC shares. Without Jordan the Indian business earned roughly Rs 470 Cr before tax on Rs 32,535 Cr of sales.
- Governance and liquidity of the stock: no promoter, a board of nominees from co-operatives, state governments and PSUs, and related-party dealings with IFFCO (Rs 1,147 Cr of sales, Rs 81 Cr of discounts, Rs 531 Cr receivable, the Rs 275 Cr JPMC share sale to its subsidiary). Only 2.86 Cr shares exist and about 64% sit with five institutional holders, so dealer parcels are scarce and there is no listing plan. Credit ratings are not disclosed in the annual report.
- Weather and policy for FY27: the IMD forecast of 90% of normal rainfall with El Nino, below-normal cane crushing in the new Gujarat mills and the Rs 360 Cr Badamba commitment all sit on a balance sheet that already needs timely subsidy to stay liquid; the board itself says any subsidy delay 'will impact the liquidity position'.

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